

Article 8. Shall general obligation bonds or notes of the Town of Richmond in an amount not to exceed Four Hundred Thousand Dollars (\$400,000), subject to reduction from the receipt of available state and federal grants-in-aid, be issued for the purpose of replacing and relocating 800 feet of waterline on Bridge Street, the estimated cost of such improvements being Four Hundred Thousand Dollars (\$400,000)?

If approved this would grant authority for Richmond to secure a bond not to exceed \$400,000 to replace 800' of aging waterline on Bridge Street between Church Street and Volunteers Green This project would connect the two segments of waterline on Bridge Street that were replaced in 2020.

This is a Water and Sewer bond and as such it is a general obligation, secured by a pledge of the full faith and credit of the Town of Richmond. The entire grand list stands as security for the payment of bond debt service. However, the actual source of payment will be revenues generated by the Water and Sewer utility.

The Town has applied for a subsidy of 75% from the Drinking Water State Revolving Fund. This would mean that 75% of the cost of the project (roughly \$300,000) would be picked up by the State of Vermont and that Richmond's Water and Sewer utility would pay for 25% (or roughly \$100,000) of this project. While this subsidy will not be finalized until a later date, the Town is well positioned to receive this subsidy.